

To

The Chairman
Defence Research and Development Organisation
Ministry of Defence
New Delhi-110011

Sub: Amendments in Procurement Manual - 2016

Sir,

I am directed to refer to **PM-2016 issued vide GOI Letter no. DMM/II/PP/0000216/M/2121/D(R&D) dtd 4 Nov 2016** and to convey Sanction of the President of India for issue of following Amendment in PM-2016 in accordance with relevant provisions of GFR-2017:-

i) Under Para 5.2 PETTY PURCHASE PROCEDURE:

For: Petty purchase will normally be resorted to for procurement up to the **amount specified in the GFR (at present Rs.15000/- per occasion)** or as per the delegated petty purchase powers in respect of cases mentioned below:

- a) For small value items/ services.
- b) For procurement of unanticipated/ emergent/ breakdown prevention of goods & services required to be made at a short notice.
- c) To meet requirements of parts/ components & services for trials of major equipment and systems at outstation.

Read: Petty purchase will normally be resorted to for procurement up to the **amount specified under Rule 154 of GFR-2017 w.e.f 11 Feb 2017 and as amended from time to time** or as per the delegated petty purchase powers in respect of cases mentioned below:

- a) For small value items/ services.
- b) For procurement of unanticipated/ emergent/ breakdown prevention of goods & services required to be made at a short notice.
- c) To meet requirements of parts/ components & services for trials of major equipment and systems at outstation.

ii) Under Para 5.3 MINOR PURCHASE PROCEDURE:

For : Purchase of goods/ services costing up to the **amount specified in the GFR (at present Rs. one lakh on each occasion)** may be made on the recommendations of a duly constituted Local Purchase Committee (LPC) consisting of three members of an appropriate level as decided by the Director of Lab/Estt. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate firm. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under.

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"Certified that we _____, members of the Local Purchase Committee (LPC) are jointly and individually satisfied that the goods/services recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods/ services in question."

Read: Purchase of goods/ services costing up to the amount specified under **Rule 155 of GFR-2017 w.e.f 11 Feb 2017 and as amended from time to time** may be made on the recommendations of a duly constituted Local Purchase Committee (LPC) consisting of three members of an appropriate level as decided by the Director of Lab/Estt. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate firm. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under.

"Certified that we _____, members of the Local Purchase Committee (LPC) are jointly and individually satisfied that the goods/services recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods/ services in question **and it is not debarred by Department of Commerce or Ministry/Department concerned**".

- iii) As per the provisions of Para 161(i&ii), 183(ii) and 201(ii) of GFR-2017, the requirement of publishing the advertisements in Newspapers and Indian Trade Journal for procurement of Goods and Services as given in paras 6.4.1, 6.11, 6.12 and 12.12.1 and other applicable paras of PM-2016 shall be discontinued henceforth. It is mandatory to publish advertisement for procurement of Goods and Services on Central Public Procurement Portal (CPP Portal), GeM and DRDO Website only.

2. This issues with concurrence of Ministry of Defence (Finance/R&D) vide Dy. No. 541/MoD/Fin(R&D) dated 14 July 2017.

Harsha
12/7/17
(Harsha Rani)

Under Secretary to the Govt. of India

Copy to:

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- (2) Addl. FA (R&D) & JS
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- (4) IFA (R&D) at New Delhi, Bangalore, Hyderabad, Pune & Dehradun
- (5) Chief Executive (CW&E)
- (6) PCDA (R&D), New Delhi
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- (9) Director of Audit, Defence Services
- (10) Director [Finance (R&D)]
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